

PREPAID WIRELESS 9-1-1 CHARGE

Overview

Effective January 1, 2012, all retail sellers of prepaid wireless must collect a fee of 75 cents per transaction and file a Prepaid Wireless 911 return. The fee was previously administered by the Department of Community Affairs, but the Department of Revenue will administer the fee beginning in 2012. The fee will be administered (*i.e.*, audited, assessed and collected) in the same manner as sales tax.

What is prepaid wireless?

In general, prepaid wireless refers to any method by which a customer pays a wireless service provider in advance for a wireless telecommunications connection. Examples include:

- calling or usage privileges, based on a set dollar amount, minutes or units of air time, included with the purchase of a cellular phone;
- recharging a reusable cellular phone with additional minutes or units of air time;
- cellular phone calling cards that are preloaded with a set dollar amount, minutes, or units of air time; and
- recharging a reusable cellular phone calling card

How does a retailer submit the return and remit the fee?

The fee must be reported on and remitted with the Prepaid Wireless 911 return. Only one return is required even if the seller has multiple locations. If the seller is required to file electronically for any of its sales accounts, the seller must also submit the Prepaid Wireless 911 return electronically.

The filing frequency is the same as the filing frequency for the seller's master account if the seller has a master account or is the same as the filing frequency for the seller's most frequently filing location if the seller has more than one location but no master account. For most filers, the Prepaid Wireless 911 return will be due by the 20th of the month and should include the transactions from the preceding calendar month.

Are sellers allowed vendor's compensation?

Yes – if the return is filed timely and the fee is remitted timely, the vendor's compensation is 3% of the fee remitted. Sellers may obtain vendor's compensation for both sales tax and the prepaid wireless 911 charge, although the two are calculated and reported separately.

Can a return be amended after it is filed?

Yes – the seller must mark the amended return box on the return. Sellers that are required to file electronically must submit amended returns electronically, but sellers who are not required to file electronically may submit amended returns either electronically or by mail.

Are any prepaid wireless transactions not subject to the fee?

Yes - if the prepaid wireless service is 10 minutes or less or \$5.00 or less and is sold with a prepaid wireless device for a single, non-itemized price, then the seller may elect not to apply the fee to the transaction.

Are out of state sellers required to collect the fee?

Any seller with sufficient activity in Georgia to be considered a dealer under O.C.G.A. § 48-8-2 should collect the fee on sales of prepaid wireless service to Georgia customers. As a general rule, if a seller does not have a physical presence in Georgia (*i.e.*, the seller does not own or lease property in the state, does not have employees or independent sales agents in the state), it will not be required to collect the fee.

How does a retailer register to collect and remit this fee?

A retailer that sells prepaid wireless may register either by registering online through the Georgia Tax Center (“GTC”) or by filing Form CRF-002. The seller must register for a sales tax number (if it has not already done so) and a prepaid wireless account number. Sellers that are already registered for sales tax must only register for the prepaid wireless account.

Where to find the Prepaid Wireless 911 Return? It will not be available on our website until after January 9, 2012

Visit our website at <https://etax.dor.ga.gov>

Helpful Hint: Registration is available NOW in the Georgia Tax Center.....see how to access below.

If your business is already registered on the Georgia Tax Center:

1. Log into GTC account
2. Click “Register New Tax Account”
3. Click the “Click to register new tax account” link
4. Click “Step 1: Click to Select Account Type”
Your Sales Tax account must be registered prior to adding your Prepaid Wireless account
5. Choose “Pre-paid Wireless 911 Fee” from the account type drop down
6. Enter an account start date no earlier than January 1, 2012

7. Click the "Ok" button provided neither of the fields is red. If they are red, move your mouse over the field to find out the problem.
8. Enter the location address
9. Click the "Submit" button
10. Click the "Yes" button to submit the request
11. Print the confirmation page for your records
12. The account will be registered and this login will have access to it no later than the next business day.

*If your Business is **not** yet registered in the State of Georgia:*

1. Click the "Register New GA Business" link under the "For Businesses" panel.
2. Follow the steps and register both your sales tax and pre-paid wireless 911 fee accounts.
3. Print your confirmation page for your records
4. Once the accounts have been created, you will receive an email with your account numbers and you will have access to them under the login you created as part of the new business registration. In addition, you will receive an authorization code needed to log into GTC for the first time.
5. The email should be sent within 15 minutes of completing the registration request. If you have not received your email within 30 minutes of completing the request, please check your spam/junk folders as the email may have gone there. The email will be from No-Reply@dor.ga.gov. Please ensure this email address is added to your approved email list. If you have not received an email by the following business day, please contact the Taxpayer Services Division at 1-877-423-6711.